

SECTION 654: POSTING DISBURSEMENTS TO GENERAL LEDGER

1. General Description. This section describes the posting of disbursements transactions to the GENERAL LEDGER maintained by DAGS Accounting Division. The GENERAL LEDGER contains a complete self-balancing group of accounts for each fund. The specific funds to which disbursements transactions are posted include:
  - (a) General Fund
  - (b) Special Funds
  - (c) Bond Funds
  - (d) Trust and Agency Funds
2. Purpose. The primary purpose for posting disbursements to the GENERAL LEDGER is to record disbursements, on a monthly and cumulative basis, that are applicable to each GENERAL LEDGER account, and to provide a control over subsidiary accounts. The subsidiary accounts are subsequently used in the preparation of various types of financial reports.
3. Legal Authority. Section 40-3, Hawaii Revised Statutes, requires the Comptroller to "...keep ledgers in which he shall open, arrange, and keep in a methodical and systematic manner the various State accounts so that the status and condition of all funds and appropriations, of all assets and liabilities, and for all income and expenditures of the State may at any time be ascertained and known...".
4. Posted By. DAGS Accounting Division, Uniform Accounting and Reporting Branch.
5. Posting of Disbursements. The postings of entries to the GENERAL LEDGER disbursement accounts are from the following records:
  - (a) REGISTER OF CASH DISBURSEMENTS - The majority of postings for cash disbursements are obtained from this register. The entry is a debit to Warrants Payable and a credit to Cash in State Treasury (a/c 111).

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- (1) Disbursement transactions that affect the GENERAL LEDGER Warrants Payable accounts are:

<u>Fund</u>	<u>GENERAL LEDGER</u>	
	<u>Accounts</u>	
	<u>Current</u>	<u>Prior</u>
	<u>Year</u>	<u>Year</u>
General, Special, Trust, and Bond	621	641
General Fund (2nd Series)	622	642
Employment Security Administration	626	646
Legislature (House & Senate)	627	647
Unemployment Compensation	628	648
Payroll Clearance	635	655

- (2) These group headings normally represent the total "credit" balance amount of outstanding WARRANTS issued by the State Comptroller during the current and prior fiscal years, respectively, which have not been presented to the State Treasury for payment. Accounts are classified by funds and, within certain funds, by sub-classes where applicable. These accounts are credited with WARRANTS issued on audited claims and are debited with the WARRANTS which have been presented to the State Treasury for payment and with WARRANTS which have been cancelled. At the beginning of each fiscal year, WARRANTS outstanding in the accounts for the current fiscal year are transferred to similar accounts in the prior fiscal year.

(b) JOURNAL VOUCHER, SAFORM A-27

- (1) WARRANTS that are cancelled on WARRANTS CANCELLED, SAFORM C-53, are summarized at the end of each month by DAGS Accounting Division on JOURNAL VOUCHERS, by fund, and posted to the GENERAL LEDGER. These cancellation transactions, as noted in paragraph 5(a)(2) above, reflect a debit to the Warrants Payable accounts and credits to revenue or expenditure accounts.
- (2) Various error corrections and adjustments due to keypunching or posting errors are also recorded on JOURNAL VOUCHERS for posting to GENERAL LEDGER accounts.